

Utah Associated Municipal Power Systems ("UAMPS")

July 20, 2010



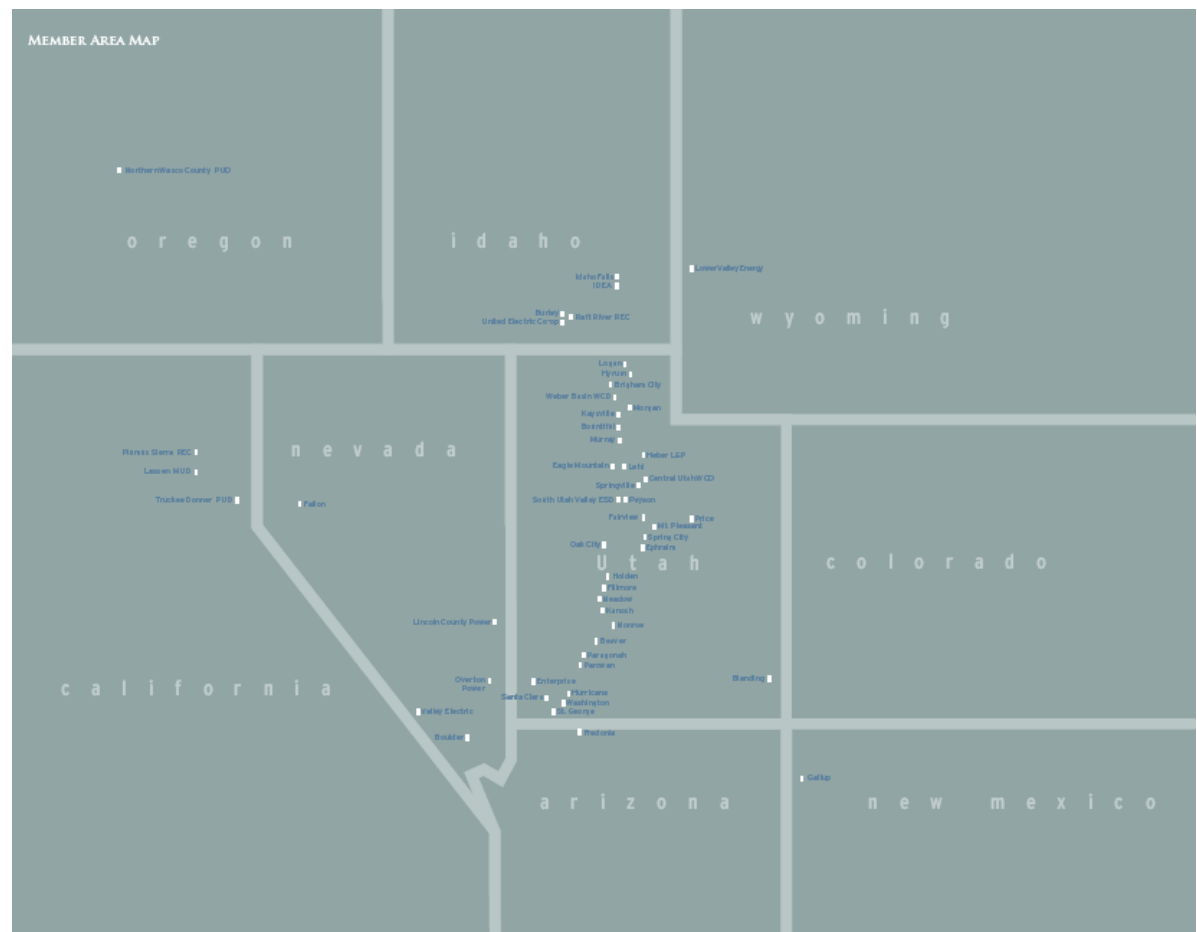
Municipal Power

- Utah Constitution confers upon municipalities the exclusive responsibility to furnish public services to their residents
- Municipalities have the authority to:
 - provide their own power service, or
 - provide a franchise agreement for someone else to provide the service
- UAMPS assists municipalities who have elected to provide their own power service

UAMPS Overview

- Political subdivision of the State of Utah and was established in 1980 under the Utah Interlocal Cooperation Act
- Project-based organization with 15 separate projects that provide a variety of power supply, transmission and other services to Members
- Members may elect to participate in projects and are not obligated to participate in any particular project
- UAMPS and Members enter into contracts that specify the services or products to be provided by the project
- Establish a Project Management Committee and Board of Directors to oversee and direct each project

- 51 Members
- Eight States
 - Arizona
 - California
 - Idaho
 - Oregon
 - Nevada
 - New Mexico
 - Utah
 - Wyoming



UAMPS has the authority to:

- Own, construct and operate facilities for generation, transmission and transportation of electric energy or related fuel supplies
- Enter into contracts for supplies of electric energy, ancillary services and transmission services
- Enter into contracts for the sale of wholesale services
- Issue revenue bonds
- Adopt and implement risk management policies and strategies for any, or all, of the above

UAMPS acts as agent on behalf of Members:

- Scheduling and dispatch of power supply
- Purchase of any power supply requirement to meet its' electric system loads or provide reserves for such loads
- Sale of any power supply deemed surplus
- Utilization of transmission rights to effect power supply deliveries and sales

UAMPS Current Projects

- Resource Projects

- Coal

- Hunter Project
 - San Juan Project
 - IPP Project

- Hydro

- CRSP Project

- Wind

- Firm Power Supply Project
 - Pleasant Valley Wind
 - Horse Butte Wind

- Natural Gas

- Payson Project
 - Natural Gas Project
 - Procurement of long-term gas

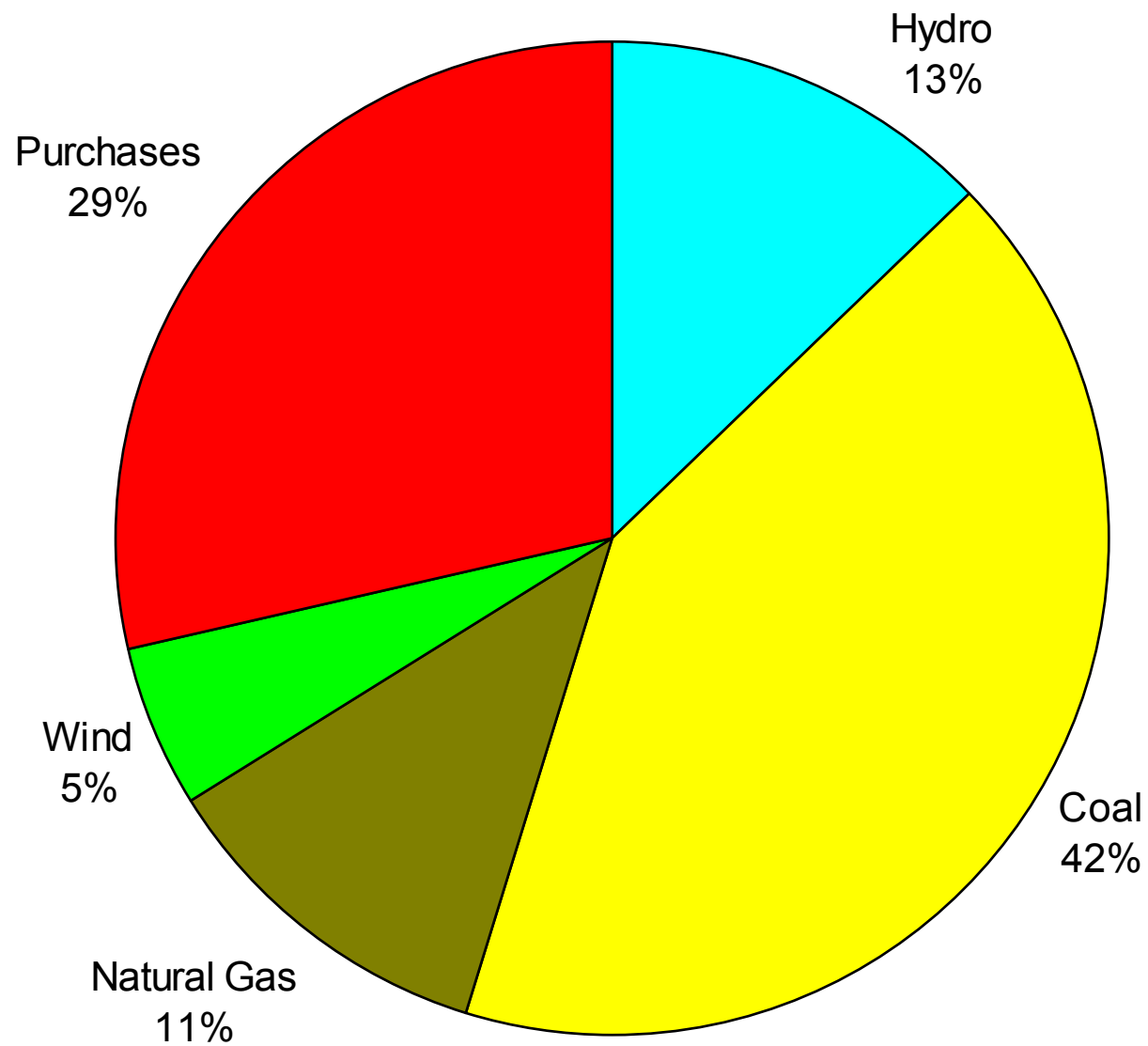
- Other

- Pool Project
 - Resource Project
 - Investigation of supply-side and demand-side alternatives
 - IPP Unit 3 Project

UAMPS Current Projects (cont.)

- Transmission Projects
 - Craig-Mona Project (345 kV)
 - Central-St. George Project (345/138/69 kV)
- Service Projects
 - Government and Public Affairs Project
 - Member Services Project

UAMPS Resource Type with Horse Butte Wind



UAMPS also:

- Conducts analyses and studies of new power supply and transmission resources
- Separate studies are conducted for each new resource and Members have the option of participating in all, some, or none of these studies
- Negotiates Power Purchase Agreements
 - Draft Request for Proposals (“RFP”)
 - Evaluate RFP response

Current Resource Investigation

- **Supply-side**
 - Waste Heat
 - Landfilled gas
 - Solar
 - Nuclear
 - Natural Gas
 - Existing Coal
- **Demand-side**
 - Energy Efficiency Programs
 - Home Energy Savings Program
 - Cool Cash
 - See “ya” Later Refrigerator
 - Net metering

In Essence:

- UAMPS sells wholesale electric service to its Members, which in turn, the Member resells to its retail customers
- UAMPS works cooperatively with its Members to plan for their projected 20-year load and energy forecast



QUESTIONS